

RESOLUTION NO. 2016 – 6

A Resolution of the McMinnville Urban Renewal Agency, authorizing indebtedness for capital projects described in the McMinnville Urban Renewal Plan.

RECITALS:

WHEREAS, the McMinnville Urban Renewal Agency, Oregon (the "Agency") is authorized by ORS Chapter 457 to incur indebtedness to carry out the McMinnville Urban Renewal Plan, as it has been and may be amended (the "Plan") and by ORS Chapter 190 to enter into intergovernmental agreements; and

WHEREAS, the Agency has determined that a borrowing secured by the full faith and credit of the City of McMinnville, Oregon (the "City") will provide more beneficial terms to the Agency than a borrowing issued directly by the Agency and secured solely by the Agency's tax increment revenues; and

WHEREAS, the City has agreed to finance the cost of projects in the Plan ("Projects") in an amount not to exceed \$2,200,000 and wishes to pay the debt service from the tax increment revenues of the McMinnville Urban Renewal Area (the "Area"); and

WHEREAS, the Area is projected to have sufficient tax increment revenues to pay the debt service on the City's financing for the Projects; and

WHEREAS, the Agency is willing to commit tax increment revenues from the Area in amounts sufficient to pay up to \$2,200,000 in principal amount of financing for the Projects, plus interest; and

WHEREAS, the Agency has no borrowings outstanding that are secured by a lien on tax increment revenues of the Area; and

WHEREAS, the City has approved a maximum indebtedness for the Area of \$30,000,000, and a \$2,200,000 borrowing will not result in the Agency exceeding that limit; and

NOW THEREFORE BE IT RESOLVED, as follows:

1. Intergovernmental Agreement Authorized. The Agency Board hereby authorizes the Agency to enter into an intergovernmental agreement with the City that obligates the Agency to pay up to \$2,200,000 in principal amount, plus interest, to finance the Projects and pay costs of issuance of the financing. The intergovernmental agreement shall constitute indebtedness of the Agency that is payable solely from the tax increment revenues of the Area and interest earnings on those tax increment revenues. The intergovernmental agreement shall be in substantially the form attached to this Resolution as Exhibit A but with such changes as are approved pursuant to Section 2.

2. Delegation. The City Manager, the Finance Director of the City, or a person designated by the City Manager or Finance Director to act under this Resolution is hereby authorized, on behalf of the Agency and without further action by the Agency Board to negotiate the final terms of and execute the intergovernmental agreement described in Section 1 of this Resolution, and to execute any documents and take any other actions that are desirable to assist the City in financing the Projects.
3. Effective Date. This Resolution is effective immediately upon adoption.

Adopted by the McMinnville Urban Renewal Agency Board at a regular meeting held the 27th day of September 2016 by the following votes:

Ayes: Jeffries, Menke, Ruden, Yoder

Nays: _____

Approved this 27th day of September 2016.



Chair of the Urban Renewal Board

Approved as to Form:



CITY ATTORNEY

Exhibit A

FORM OF INTERGOVERNMENTAL AGREEMENT